

**31A-27a-503 Unauthorized postpetition transfers.**

- (1) Except as otherwise provided in this section, the receiver may avoid a transfer of an interest of the insurer in property, or an obligation incurred by the insurer, that is:
  - (a) made or incurred after the day on which a petition for receivership is filed; and
  - (b) not authorized by the receiver and approved by the receivership court.
- (2) Except to the extent that a transfer or obligation voidable under this section is otherwise voidable under this chapter, a transferee or obligee of a transfer or obligation described in Subsection (1) has a lien on or may retain, at the option of the receivership court, an interest transferred or may enforce an obligation incurred, as the case may be:
  - (a) if the transferee or obligee takes it for value and in good faith; and
  - (b) to the extent that the transferee or obligee gave value to the insurer in exchange for the transfer or obligation.

Enacted by Chapter 309, 2007 General Session